

DRAFT MINUTES
Delaware Stadium Corporation
Board of Directors Meeting
Sept. 30, 2019

Board Members in Attendance

Tom McGonigle, Chairman
Jeff Young
Bill Winters
Kevin Kelley
Steven C. Taylor
Ruly Carpenter
John Casey
Bud Freel
Doug Denison
Michael Morton (via telephone)
Romain Alexander (via telephone)

Staff

Joseph J. McDonald, Executive Director
Kevin A. Guerke, Counsel

Guests

Andrew Layman, Wilmington Blue Rocks

I. Call to Order

A quorum being present, Chairman McGonigle called the meeting to order at 5 p.m.

II. Minutes of the Previous Meeting (May 30, 2019)

Chairman McGonigle presented minutes from the previous meeting for consideration. Mr. Taylor presented revisions to the minutes regarding the discussion of parking under item IV. Executive Director Report. Mr. Young moved to accept the minutes as revised, seconded by Mr. Casey and unanimously carried.

Chairman McGonigle presented executive session minutes from the previous meeting for consideration. Mr. Young moved to accept the minutes as submitted, seconded by Mr. Casey and unanimously carried.

III. Blue Rocks Report

The board congratulated Mr. Layman and the Blue Rocks on a successful season and championship.

Mr. Layman reported that various improvements made to the stadium this year were well received by attendees, but that parking continues to be an issue during the ongoing road construction in the area. He also reported that attendance was impressive for the team's playoff home games

IV. Review/Approval of DelDOT Acquisition Agreement

Chairman McGonigle presented proposed agreements to transfer property and grant certain easements to DelDOT in connection with road improvements adjacent to the stadium for the total sum of \$2.5 million. He noted that the lengthy negotiations over this matter were productive and beneficial to the DSC, and that the resulting agreement has the added benefit of reducing the maintenance responsibilities of the DSC moving forward.

Chairman McGonigle stated that if the Board approves moving forward with the transaction he would like the board to consider using the proceeds of the agreement to undertake more substantial renovations/expansion projects at the stadium as opposed to utilizing these funds for annual operating and maintenance obligations.

Mr. Guerke reviewed the details of the draft agreement, noting that it includes the fee-simple transfer of lands, temporary easements for construction, and permanent easements for ingress and egress. He also noted that the draft agreement includes a statement that DelDOT activities will not interfere with Blue Rocks games. Discussion ensued.

Chairman McGonigle indicated there is one legal issue related to the agreements that he would like to present in executive session before entertaining a motion to approve the agreements.

V. Review/Approval of Blue Rocks Lease and Management Agreements

Chairman McGonigle explained that funds appropriated to the DSC in this year's state capital budget were contingent upon renewal of the Blue Rocks lease agreement. He informed the board that the Blue Rocks have elected to exercise their option for a two-year extension of the current lease agreement, which satisfies that provision. The extended agreement would run through 2023.

Chairman McGonigle also asked the board to consider extending the Blue Rocks management agreement by two years so that it is in sync with the lease agreement.

Mr. Taylor moved to accept the two-year extension of the Blue Rocks lease agreement and to extend the Blue Rocks management agreement by two years, seconded by Mr. Kelley and unanimously carried.

VI. Review/Approval of Capital Expenditure Plan

Chairman McGonigle explained that, in order to receive the funds appropriated to the DSC in the state capital budget, the DSC must submit a list of estimated capital expenses for review and approval by the Office of the Controller General, the Office of Management and Budget, and the co-chairs of the legislative Joint Committee on Capital Improvement.

Mr. McDonald presented a current list of estimates for planned capital projects. Recent additions to the list included paving of the north parking lot and painting and refurbishment of the back side of the outfield wall. Mr. McDonald noted that planned renovations to stadium bathrooms may be too costly to complete with this round of funding, but it is possible the work could be done in phases. Discussion ensued.

Mr. Young asked if the Blue Rocks have been asked to contribute to these capital projects. Chairman McGonigle replied that the issue has been raised but no clear response has been received. Discussion ensued.

Mr. Kelley asked if the proceeds from the DelDOT agreement would be factored into the capital projects list. Chairman McGonigle replied that he envisions those funds being used for longer-term renovations, such as an outfield grandstand or extended concourse, subject to some kind of long-term agreement with the Blue Rocks. He further stated that he is working with the Governor's Office in pursuit of additional funding in next year's state capital budget. Discussion ensued.

Mr. Kelley moved to adopt the list of planned capital projects as presented and direct it to the requisite state officials for review and approval, seconded by Mr. Casey and unanimously carried.

VII. Executive Director Report

Mr. McDonald reported that the DSC is in a good financial position, better than he has seen for some time.

VIII. Review of FY2019 Budget, Review/Approval of FY2020 Budget

Mr. McDonald presented the latest figures for the FY2019 budget, noting that parking revenues suffered due to reductions at Barclays' Riverfront offices. All other budget lines were largely in line with projections.

Mr. McDonald presented a draft budget for FY2020 totaling approximately \$246,000, noting that revenues and expenses have been projected to remain generally flat. Increases of note included health insurance costs and payroll expenses for special events, which are offset by special event revenues. The draft budget projects a surplus of \$17,000 for the year.

Mr. Young moved to approve the FY2020 budget as drafted, seconded by Mr. Kelley and unanimously carried.

IX. Executive Session

At approximately 5:47 p.m. Mr. Kelley moved to enter an executive session for the purposes of discussing legal strategy related to parking agreements and the proposed DelDOT agreements, as well as a personnel matter, seconded by Mr. Casey and unanimously carried.

The board resumed open session at approximately 6:07 p.m.

Mr. Kelley moved to approve the DelDOT agreements as proposed, seconded by Mr. Young and unanimously carried. Mr. Freel was recorded as not voting due to his employment with DelDOT.

Mr. Casey moved to extend the employment contract of the DSC Executive Director by two years, seconded by Mr. Kelley and unanimously carried.

X. Public Comment

No members of the public were in attendance and no comments were delivered.

XI. Adjournment

Mr. Casey moved to adjourn at approximately 6:15 p.m., seconded by Mr. Kelley and unanimously carried.

Respectfully submitted,
Doug Denison